CalPERS Forecast Total Risk (1 Standard Deviation) - One Year Horizon
March 31, 2011

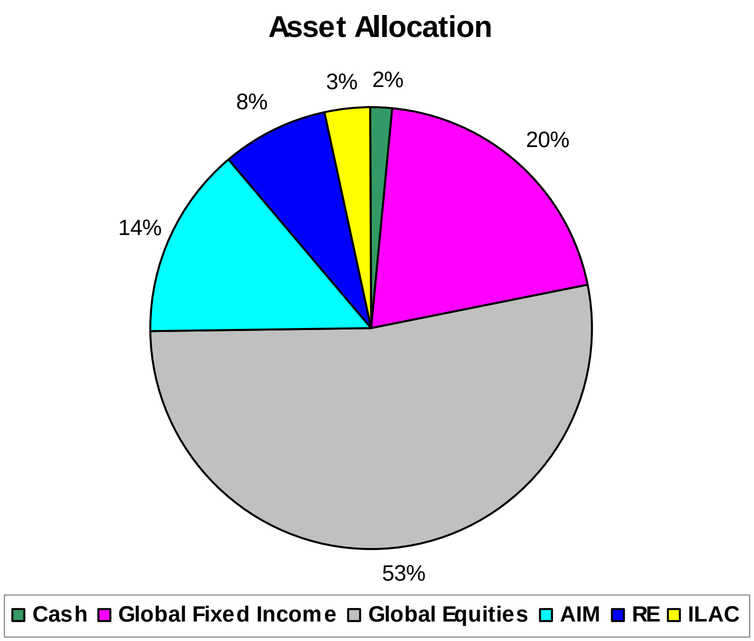
Asset Class	Policy Risk Benchmark	Portfolio Risk	Portfolio VaR (MM's)[1]	Benchmark Risk	Volatility Forecast [2]
Global Equity	Total GE Blend Benchmark	18.7%	$10,696	18.5%	16.0%
Global Fixed	Global Fixed Income	7.0%	$1,567	6.6%	6.5%
Real Estate	NCREIF Proxy	19.8%	$1,420	14.7%	14.0%
Alternative Investment	AIM Benchmark Proxy	25.5%	$3,910	30.6%	26.0%
Inflation Linked	CPI	15.5%	$577	3.7%	12.5%
Cash	US Dollar	0.5%	$0	0.0%	1.0%
TOTAL FUND	**Total Fund Blended Benchmark**	**14.3%**	**$15,371**	**12.8%**	**11.9%**

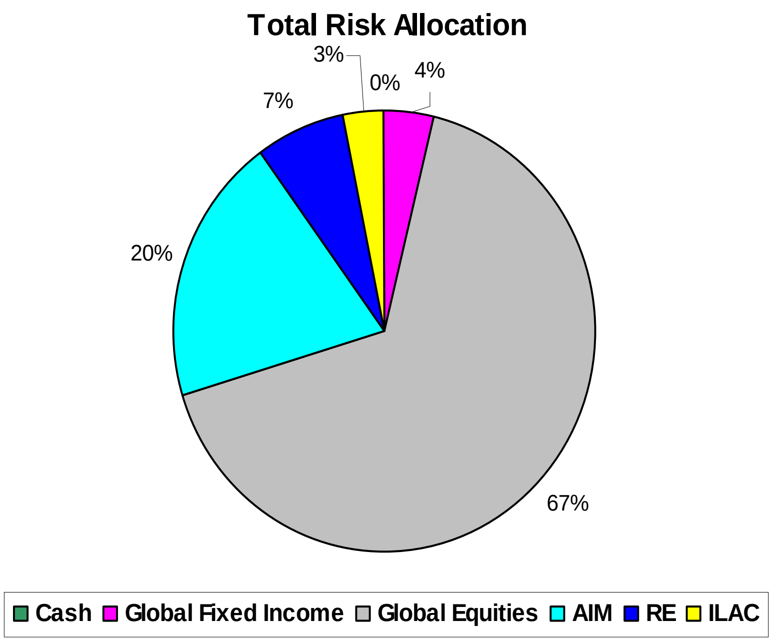
(1) Based on 10 day holding period at 99% confidence
(2) Based on November 2010 ALM Workshop

CalPERS Total Fund Tracking Error
March 31, 2011

Asset Allocation				Security/Sector Selection		Total Fund Tracking Error	
Asset Class	**Actual Allocation (%)**	**Target Allocation (%)**	**Difference (%)**	**3 yr Realized Tracking Error (%)**	**Risk Forecast Tracking Error (%)**	**Risk Budget Tracking Error (%)**	**Risk Forecast Tracking Error (%)**
Global Equity	52.6	49.0	3.6	1.24	0.52		
Global Fixed Income	20.5	21.0	-0.5	4.18	2.28		
Real Estate	7.6	10.0	-2.4	17.3	8.13		
AIM	14.0	14.0	0.0	15.12	8.95		
Inflation Linked	3.4	4.0	-0.6	9.89	12.80		
Cash	1.9	20.0	-0.1	-	-		
		Risk Budget	**Risk Forecast**				
Active Asset Allocation Tracking Error		**0.75**	**0.71**				
Total Fund Tracking Error						**1.5**	**2.46**

Total Fund Asset Allocation vs. Risk Allocation





Leverage
March 31, 2011 (1)

	Asset Allocation	Non-recourse Debt	Recourse Debt	Notional Leverage	Invested Capital	Contin-gent Claim	Total Exposure	Capital Commit-ment
Global Equity	122,894	-	-	2,806	125,700		125,700	
AIM	33,199	-	-	-	33,199		33,199	17,250
Fixed Income	47,145	-	-	-	47,145		47,145	
Credit Enhancement		-	-	-	0	1,589	1,589	
Securities Lending		-	-	5,400	5,400		5,400	
Real Estate(2)	17,742	13,087	3,401		34,230		34,230	6,980
Inflation Linked (all other)	5,257	-	-	-	5,257		5,257	
Infrastructure	472	322	-	-	794		794	435
Forestland	2,285	580	-	-	2,865		2,865	20
Cash & Transition(3)	4,617	-	-	-	4,617		4,617	
Total	233,611	13,989	3,401	8,206	259,207	1,589	260,796	24,685

(1) Except as otherwise noted.
(2) As of December 31, 2010
(3) Includes 330mm in transition accounts

Derivative Counterparty Exposure
March 31, 2011

Sum of Exposure Counterparty	FORWARD	OPTION	SWAP	Total	Collateral Held (1)	Net Exposure	CDS Spread	Spread Above Average	Credit Rating
JP Morgan	(5,620,628)	(23)	24,629,802	19,009,151		19,009,151	73	NO	A+
Societe Generale			17,727,081	17,727,081		17,727,081	119	YES	A+
Mellon Bank	480,136			480,136		480,136	104	NO	AA-
Morgan Stanley Intl	108,560			108,560		108,560	140	YES	A
Bank of Montreal	(2,944,723)			(2,944,723)		(2,944,723)	90	NO	A+
BNP	(3,863,568)			(3,863,568)		(3,863,568)	94	NO	AA
State Street	(5,388,828)			(5,388,828)		(5,388,828)	125	YES	A+
Morgan Stanley	(1,816,957)		(4,345,238)	(6,162,195)		(6,162,195)	140	YES	A
Goldman Sachs	(3,786,368)	(1,322,500)	(1,360,411)	(6,469,279)		(6,469,279)	112	YES	A
Goldman Sachs Intl.	(10,400,291)		2,954,413	(7,445,878)		(7,445,878)	112	YES	A
West Pac Bank	(9,345,044)			(9,345,044)		(9,345,044)	100	NO	A+
Barclays Bank	(21,122,745)	6,755,784	(51,219)	(14,418,180)		(14,418,180)	114	YES	A+
UBS	(23,241,665)	(113)	6,679,853	(16,561,925)		(16,561,925)	86	NO	A+
Citigroup	(17,492,625)		2,442	(17,490,183)		(17,490,183)	119	YES	A
Bank of America	(22,412,182)		(443,203)	(22,855,385)		(22,855,385)	129	YES	A
Toronto Dominion	(28,238,101)			(28,238,101)		(28,238,101)	50	NO	AA-
RBS	(26,206,291)	(1,774,880)	(837,930)	(28,819,101)		(28,819,101)	159	YES	A
Deutsche Bank	(34,825,573)		4,042,220	(30,783,353)		(30,783,353)	87	NO	A+
Credit Suisse Intl.	(53,984,248)	(773,438)	3,392,345	(51,365,341)		(51,365,341)	86	NO	A
Total	(270,101,141)	2,884,830	52,390,155	(214,826,156)	-	(214,826,156)	107		

(1) As of March 31 CalPERS did not hold collateral posted FROM counterparties but had posted 20.5mm in collateral TO counterparties

Note: Mortgage TBA exposure at 31mm owed by CalPERS to counterparties not included in report